

## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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## SECRET/CONTROL - U. S. OFFICIALS ONLY

SUBJECT  Soviet Efforts to Reduce the USIA  DATE DISTR.  30 December  NO. OF PAGES  1  REQUIREMENT NO. RD  REFERENCES  This is UNEVALUATED Information  THE SOURCE PARIATIONS IN THIS REPORT ARE DEFINITIVE.  THE APPRAISAL OF CONTENT IS TENTATIVE.  (FOR REY SEE REVESS)  1. Energetic efforts are being made by the Soviets to wipe out the USIA deficit before the end of 1954, as USIA is now running at a loss of about 200 million schillings a year. The profits made by the sale of only for the payment of Soviet occupation costs and are not available for covering USIA losses.  2. The recent wave of staff dismissals and closing down of several USIA firms was an attempt to streamline USIA and eliminate unprofitable sections, rather thm an indication that the Soviets were prepared to isnd back the USIA concern In several cases of closing down of USIA firms the key employees have not been dismissed but have been trensferred to a pool in the central administrative offices. This applies to about 120 employees, all of whom are trusted Communists.  3. In addition, the Soviets are pressing USIA to make more efforts to build up business with Negotiations are at present being carried on between USIA and commercial representatives of these countries USIA has notwents. Negotiations occurrent as the final arrangements will be in the nature of three-connected deals. USIA has however received a guarantee that in the event.				•			
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25 YEAR RE-REVIEW

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